

**Applicant Name** Montana Board of Oil and Gas Conservation (BOGC)  
**Project Name** Northern District Orphaned Well Plug and Abandonment

### **Project Abstract**

The purpose of this grant request is to provide funding to properly plug orphaned secondary enhanced water injection wells used in the recovery of oil from an established oil field. These enhanced water injection wells are under pressure and could leak injected Madison formation water and hydrocarbons and cause groundwater and surface water contamination. The wells are not useful because the enhanced recovery project has reached the end of its life, and these wells have the potential of causing damage and/or pollution to subsurface formations, the state's water and air, and the surface around each well.

The BOGC will eliminate the threat of contamination by soliciting bids to plug and restore these wells. Under supervision of the board's staff, the successful bidder will properly plug and abandon each well, dispose of and/or remediate contaminants, and reclaim the surface location.

The wells were drilled and had produced oil according to the existing rules and were converted in the late 1960s to water injection. The last operator could no longer afford to produce the enhanced recovery field, so the wells were shut in. The operator's assets will not cover the liabilities to creditors, leaving the operator insolvent. The operator's bond has been forfeited and the bond is not sufficient to cover the cost of plugging and restoration. Since the company is currently insolvent or long since defunct, responsibility for the wells and any potential environmental damage rests with the BOGC and the state. The wells will be properly plugged and abandoned when funding is made available.

The orphaned wells are located near the Town of Cut Bank. By prioritizing the board's list of orphaned wells, in most cases the wells that present the highest potential for damage to the environment because of leaking or loss of mechanical integrity will be plugged first.

The project is estimated to take 24 months. The work will generally begin during the first suitable field season following the availability of funding.